



House of Representatives

General Assembly

File No. 40

February Session, 2016

House Bill No. 5252

House of Representatives, March 15, 2016

The Committee on Human Services reported through REP. ABERCROMBIE of the 83rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING NURSING HOME BEDS FOR AIDS PATIENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-354 of the 2016 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective July 1, 2016*):

4 (a) The Department of Social Services shall not accept or approve
5 any requests for additional nursing home beds, except (1) beds
6 restricted to use by patients with acquired immune deficiency
7 syndrome or by patients requiring neurological rehabilitation; (2) beds
8 associated with a continuing care facility which guarantees life care for
9 its residents; (3) Medicaid certified beds to be relocated from one
10 licensed nursing facility to another licensed nursing facility to meet a
11 priority need identified in the strategic plan developed pursuant to
12 subsection (c) of section 17b-369; and (4) Medicaid beds to be relocated
13 from a licensed facility or facilities to a new licensed facility, provided
14 at least one currently licensed facility is closed in the transaction, and
15 the new facility bed total is not less than ten per cent lower than the

16 total number of beds relocated. The facilities included in the bed
17 relocation and closure shall be in accordance with the strategic plan
18 developed pursuant to subsection (c) of section 17b-369, provided (A)
19 the availability of beds in an area of need will not be adversely
20 affected; and (B) no such relocation shall result in an increase in state
21 expenditures.

| | | |
|---|---------------------|------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2016</i> | 17b-354(a) |

HS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 17 \$ | FY 18 \$ |
|------------------------|-------------|-----------|-----------|
| Social Services, Dept. | GF - Cost | Potential | Potential |

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill could result in a cost to the Department of Social Services associated with allowing an exemption under the nursing home bed moratorium.

The state could experience a Medicaid cost of approximately \$5,300 per month for each new bed designated for patients with acquired immune deficiency syndrome.¹ If the designated beds are being repurposed from existing Medicaid beds, the marginal increase per bed would result in an additional monthly Medicaid cost of approximately \$2,300. For purposes of an example, a 20 bed unit would result in an annual cost to the state of \$1.3 million for new beds or \$548,000 for repurposed beds.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of beds exempted from the nursing home moratorium and the Medicaid rate for each bed.

Sources: Department of Social Services Cost and Caseload Information

¹ In general, Medicaid is 50% funded by the state and 50% funded by the federal government.

OLR Bill Analysis**HB 5252*****AN ACT CONCERNING NURSING HOME BEDS FOR AIDS PATIENTS.*****SUMMARY:**

By law, the Department of Social Services (DSS) cannot accept or approve any nursing home requests for a certificate of need (CON) to add new beds, with certain exceptions (see BACKGROUND). This bill adds beds for AIDS patients to the types of beds exempted from the nursing home bed moratorium.

EFFECTIVE DATE: July 1, 2016

BACKGROUND***CON Process and Moratorium***

A CON is a formal request to expand capacity. With certain exceptions, the law prevents DSS from accepting or approving CONs for new nursing home beds, a moratorium that has been in place in some form for more than twenty years.

By law, other types of beds exempted from the nursing home bed moratorium include (1) beds for patients requiring neurological rehabilitation, (2) beds associated with a continuing care facility that guarantees life care for its residents, (3) certain Medicaid-certified beds relocated from one licensed nursing facility to another, and (4) certain Medicaid-certified beds relocated from one licensed nursing facility a new licensed facility.

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 17 Nay 0 (03/03/2016)